



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: PBGC solvency problems
Da: Tuesday, Oct. 14, 2003

Sen. Chuck Grassley, chairman of the Committee on Finance, today made the following comment on testimony on the Pension Benefit Guaranty Corporation's solvency.

"In testimony to the Senate Finance Committee, Mr. Kandarian called for a long-term solution to the PBGC problem. As a first step, the administration later came out with the yield curve proposal. Solvency of the PBGC is a long-term problem that needs a long-term solution. The yield curve bill the Finance Committee marked up last month is the only permanent policy change on the table. There are no two ways about it. This protects the millions of people in the PBGC plans because it provides for a more accurate, more conservative, statement of the pension plan liabilities. We're also protecting taxpayers because ultimately they're on the hook for the PBGC plans. The taxpayer is the insurer of last resort."